

Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2019



Portfolio Managers



Felix Fok
Portfolio Manager



Stephen Johnston
Co-Portfolio Manager

The Fund gained 0.5% in September as global share markets wrestled with weakness in global economic activity and the prospects of a trade deal between US and China.

Positive contributors included leading Indian bank HDFC Bank (+5.8%). The Modi government decided to cut effective taxes for companies from 35% to 25% to stimulate the wider economy. HDFC Bank has been profitable and growing, and it will fully benefit from the reduction.

Semiconductor manufacturing equipment maker ASML (+12.4%) rallied as investors took an incrementally positive view on cyclicals and European shares on US-China trade deal hopes. We saw ASML while on the road in Asia and Europe in September and sensed the opportunity is both cyclical and long-term.

Detractors from performance included Starbucks (-8.4%). The shares have done well and came under profit taking. The daily consumption nature of coffee has defensive characteristics. Starbucks is still up 39.2% this year.

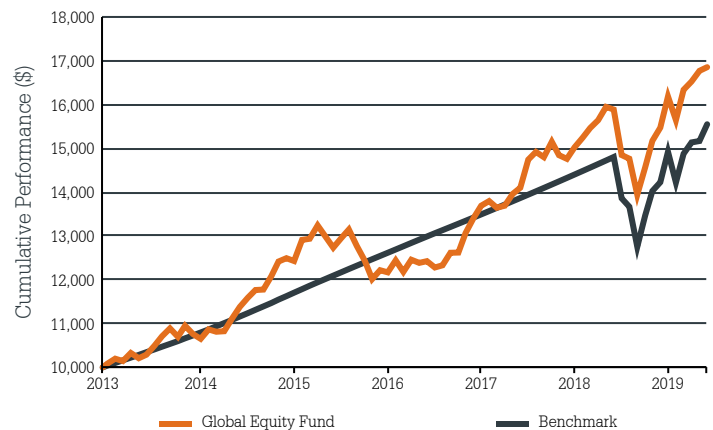
Amongst Managers, Wellington Strategic European provided the most uplift as European shares generally outperformed US shares last month. Wellington Global Healthcare fell on rotation out of defensive sectors as well as US politics relating to healthcare costs.

Overall, the economic backdrop remains one of slowing economic growth and elevated geopolitical tensions, offset by lower interest rates. In this environment, volatility is likely to stay elevated. The portfolio remains focused on our key investment themes and dominant companies.

To view Milford's October 2019 Market and Economic Review please see milfordasset.com/fact-sheet.

Cumulative Fund Performance

(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective¹	Capital growth by out-performing the relevant share market index over a minimum of five years
Description	Primarily invests in international equities
Target Allocation	5% Income Assets / 95% Growth Assets
Neutral FX Exposure	50.0%
Net Asset Value (NAV)	\$577.6 M
Buy-sell Spread	None
Inception Date	12 April 2013
Benchmark	MSCI World Index with net dividends reinvested (50% NZD-hedged)
Base Fund Fee²	1.40%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.40%
Risk Indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Lower risk Higher risk </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 30 September 2019⁴

Unit Price: \$1.6707

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Global Equity Fund (Gross Of Tax)	0.50%	3.16%	6.09%	10.70%	8.17%	8.40%
After Tax 10.50%	0.44%	3.17%	5.92%	10.44%	7.88%	8.12%
After Tax 17.50%	0.40%	3.18%	5.81%	10.26%	7.69%	7.93%
After Tax 28.00%	0.35%	3.19%	5.65%	9.99%	7.41%	7.65%
Benchmark	2.52%	4.53%	5.05%	6.18%	6.85%	7.06%

Top Security Holdings

Holdings	% of Fund's NAV
Financial Select SPDR	4.87%
Wellington Strategic Euro	4.53%
Vontobel Sust. EM Leaders	4.43%
Wellington Global Health Care	4.26%
Euro Stoxx 50 ETF SPDR	2.97%
Consumer Discretionary Select SPDR	2.57%
Energy Select SPDR	2.32%
Alphabet	2.19%
Microsoft Corp	2.14%
CME Group	2.05%

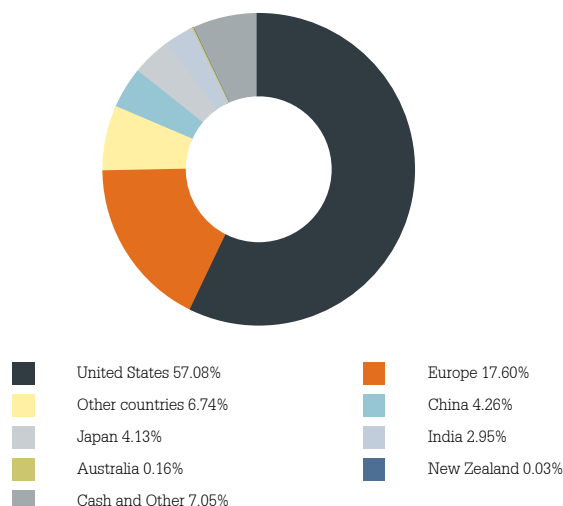
Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	6.68%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	0.00%	0%
Australian Equities	0.00%	0%
International Equities	93.32%	95.00%
Other	0.00%	0%

Sector Exposure

Allocation	Weight %
Financials	14.94%
Information Technology	14.24%
Health Care	13.18%
Consumer Discretionary	12.42%
Industrials	8.47%
Consumer Staples	7.86%
Communication Services	7.59%
Real Estate	5.39%
Other Sectors	8.86%
Cash and Other	7.05%

Country Exposure



1. After the base fund fee but before tax and before the performance fee. 2. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 3. The Total Fund Fees comprise the Base Fund Fee and any estimated Performance Fee. Please refer to the Product Disclosure Statement for more information as to how these are calculated. 4. Please note past performance is not a guarantee of future returns.

Please refer to the 'Glossary for the Monthly Fact Sheet' at milfordasset.com/fact-sheet for more information about the data published within this document.

Level 28, 48 Shortland Street, Auckland
PO Box 960, Shortland Street, Auckland 1140
Free phone 0800 662 345
milfordasset.com

